



Notice of Contract Purchase Agreement

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STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
ONE CAPITOL HILL
PROVIDENCE RI 02908

ARAMARK EDUCATIONAL SERVICES
1100 MARKET ST
PHILADELPHIA, PA 19107

STATEWIDE SCHOOL FOOD
SERVICES PROGRAM (MPA-421)

Award Number
3108228

Effective Period:
01-JUL-08 -
30-JUN-13

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| S H I P T O | MASTER PRICE AGREEMENT SEE BELOW RELEASE AGAINST RI MPA United States |
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|-----------|------------|
| Date: | 16-OCT-08 |
| Buyer: | J Moynihan |
| Shipping: | Paid |
| Terms: | NET 30 |
| Vendor#: | 747 |

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|---------------------------------|--|
| I N V O I C E | MASTER PRICE AGREEMENT SEE BELOW RELEASE AGAINST RI MPA United States |
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| | |
| | |

| Department | Type of Requisition | Bid Number | Requisition Number |
|------------|---------------------|------------|--------------------|
| | | 7003294 | |

BLANKET REQUIREMENTS: 7/1/08 - 6/30/13
WITH THE OPTION TO RENEW FOR FOUR (4) ONE-YEAR PERIODS PENDING AVAILABILITY OF FEDERAL FUNDS AND IN
ACCORDANCE WITH THE ATTACHED STATEWIDE SCHOOL FOOD SERVICES AGREEMENT BETWEEN THE STATE OF RHODE
ISLAND DEPARTMENT OF EDUCATION AND ARAMARK EDUCATIONAL SERVICES, LLC DATED MARCH 7 2008.

MASTER PRICE AGREEMENT #421

STATEWIDE SCHOOL FOOD SERVICES PROGRAM PER ATTACHED AGREEMENT
AT NO COST TO STATE

PURCHASE ORDER #3108228 REPLACES P.O. #3098915. PURCHASE ORDER #3098915 SHOULD HAVE BEEN ISSUED AS A
MASTER PRICE AGREEMENT SO THAT RI SCHOOL DISTRICTS CAN UTILIZE THESE SERVICES

SUPPLIER TELEPHONE:
(908) 458-2992

SUPPLIER FAX:
(908) 231-7934

STATE PURCHASING AGENT

This Notice of Award/Purchase Order is issued in accordance with the specific requirements described herein and the State's Purchasing Regulations and General Conditions of Purchase, copies of which are available at www.purchasing.ri.gov. Delivery of goods or services as described herein shall be deemed acceptance of these requirements.

STATEWIDE SCHOOL FOOD SERVICES PROGRAM AGREEMENT

Between

The State of Rhode Island
Department of Education
and
ARAMARK Educational Services, LLC

This Statewide School Food Services Program Agreement (hereinafter the "Agreement") is made and entered into this 7th day of March, 2008, by and between the State of Rhode Island and Providence Plantations acting by and through the Department of Education (hereinafter the "State") and ARAMARK Educational Services, LLC, a corporation duly organized and existing under the laws of the State of Delaware, and registered to do business in the State of Rhode Island, with a primary office in Philadelphia, Pennsylvania and a Federal Identification Number of 23-1354443 (hereinafter "ARAMARK").

The State and ARAMARK are sometimes jointly referred to hereinafter as the "Parties".

WITNESSETH

WHEREAS, the State requested proposals from qualified firms to operate a Statewide School Food Services Program (hereinafter the "Program"); and

WHEREAS, the purpose of the Program is to build collective purchasing power that would save time and money as well as improve the nutrition and health of all students attending school in one of the school districts, charter schools and/or state schools in the State of Rhode Island (hereinafter individually a "School Food Authority" and collectively the "Rhode Island Districts")

WHEREAS, this Agreement shall serve as an umbrella agreement under which each Rhode Island District may enter into a separate Food Service Management Agreement with ARAMARK

WHEREAS, in order to obtain such services, the State issued RFP #7003294 entitled "Statewide School Food Services Program," and all related addendums, written responses to vendor questions and written clarifications (collectively hereinafter the "RFP"), all of which are incorporated herein by reference and made a part hereof; and

WHEREAS, ARAMARK, in response to said RFP, submitted a Technical Proposal (hereinafter the "Proposal"), which is incorporated herein by reference and made a part hereof; and,

WHEREAS, the Parties desire to establish this Agreement for ARAMARK to furnish the services associated with the Program.

NOW THEREFORE, for good and valuable consideration exchanged by and between the Parties, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Precatory Clauses

The precatory "whereas" clauses are incorporated herein and made a part of this Agreement

2. Services

ARAMARK hereby agrees to perform the services as detailed in the RFP, the Proposal and this Agreement (hereinafter the "Services"). For convenience purposes, the Services are set forth in Exhibit 1. In the event that Exhibit 1 excludes a service item set forth in the RFP and Proposal, such service is incorporated in this Agreement by reference from such documents

3. No Compensation

ARAMARK shall perform all of its duties and obligations under this Agreement and any changes or amendments thereto for no compensation. To be clear, the State is not responsible to pay ARAMARK for any costs, fees or other compensation for ARAMARK's duties and obligations under this Agreement and any mutually agreed upon changes or amendments thereto. In consideration for ARAMARK's performance of the Services set forth herein, the State shall designate ARAMARK as the sole preferred food service management company for purposes of the Program. The State has selected ARAMARK as the single food service management company to provide the Program to participating Rhode Island Districts. It is the State's intention that, over time, ARAMARK will serve all of the Rhode Island Districts through the Program.

4. The State's Obligations

- A.** The State shall undertake all reasonable best efforts to support and encourage all of the Rhode Island Districts to participate in the Program by contracting with ARAMARK.
- B.** The State will provide a change agent position to work with ARAMARK to plan and implement the Program and, in particular, to help ARAMARK become the model food service program with high nutrition standards offerings in school districts and to encourage all of the Rhode Island Districts to participate in the Program by contracting with ARAMARK. The

State shall undertake all reasonable best efforts to maintain the change agent position throughout the Term of this Agreement (as defined herein) to ensure the success of this recruitment effort.

- C. The State shall undertake all reasonable best efforts to cooperate with ARAMARK in the providing of ARAMARK's Services, as set forth in Exhibit 1. Such cooperation shall include, but is not limited to: (i) commenting on plans in a timely manner; (ii) making a representative of the State available to meet with the Rhode Island Districts inquiring about participation in the Program; (iii) facilitating communication between ARAMARK and the Rhode Island Districts; (iv) requiring the Rhode Island Districts to timely complete a survey approved by the State and provide such other information as ARAMARK may reasonably require in order to fulfill its assessment and inventory obligations under this Agreement; and (v) assisting ARAMARK in communicating with the Rhode Island Districts regarding the requirements of the Program.
- D. The State shall document in writing in a complete and timely manner any deficiencies in ARAMARK's performance of Services and/or failure to supply deliverables.

5. **ARAMARK Obligations.**

- A. ARAMARK shall undertake all reasonable best efforts to fully comply with all of the specific terms, conditions, and provisions set forth in this Agreement including, but not limited to, Services, the RFP and the Proposal.
- B. ARAMARK shall document in writing in a complete and timely manner any deficiencies in the State's performance of its obligations under Section 4 of this Agreement.

6. **Individual Food Service Management Agreements.**

Each of the Rhode Island Districts that elects to participate in the Program shall execute a form Food Service Management Agreement to be developed by ARAMARK and the State by March 15, 2008. The Food Service Management Agreement shall consist of: (a) the Standard Terms and Conditions of the Rhode Island Statewide School Food Services Program (hereinafter the "Standard Terms and Conditions"); and (b) such other terms and conditions, not inconsistent with the "Standard Terms and Conditions," as may be agreed to by ARAMARK and the particular LEA (hereinafter the "District Contract"). The State will circulate the Food Service Management Agreement to the Rhode Island Districts once it is completed. The Standard Terms and Conditions cannot be altered or amended without the prior written consent of the State. Each individual Food Service

Management Agreement may be renewed on an annual basis using the Annual Renewal form to be developed by ARAMARK and the State

7. Incorporation by Reference and Interpretation

The State Purchasing Act, the State Purchasing Regulations and the State of Rhode Island Office of Purchases General Conditions of Purchase are incorporated herein by reference, hereinafter collectively referred to as the State's General Conditions of Purchase. This Agreement consists of the following contract documents: (a) this Agreement; (b) the Proposal and (c) the RFP and Purchase Order, all of which may be collectively referred to throughout this Agreement as the "Contract Documents." In the event any conflict shall arise among the provisions of the foregoing documents, said conflict shall be resolved by giving priority to the documents in the order set forth above.

8. Changes to Services

- A. Either of the Parties may at any time individually request changes to the Services required under this Agreement. The Parties acknowledge that each of them may require a change in the Services due to a variety of factors including, but not limited to, changes in federal, state and local law, regulations, policies or budgets.
- B. Any changes to this Agreement shall be implemented by a written contract amendment mutually agreed upon and executed by the Parties

9. Implementation and Term

ARAMARK shall commence Services under this Agreement immediately upon execution of this Agreement by both Parties and the issuance of a Purchase Order, and shall complete the Services within the time requirements set forth in Exhibit 1. The initial term of this Agreement shall end on June 30, 2008 unless terminated earlier pursuant to the provisions of this Agreement. The Agreement may be extended for four (4) additional one (1) year renewal periods by mutual written agreement of the Parties. As used herein, the "Term" of this Agreement shall mean the initial term together with any renewal period(s) that are approved by the Parties.

10. Assignment

This Agreement shall not be assigned, transferred or subcontracted by ARAMARK without prior written approval of the State which said approval shall not be unreasonably withheld, conditioned or delayed; except that ARAMARK may assign this Agreement, in its sole discretion, to any of its affiliates without consent being required with not less than thirty (30) days written notice to the State of such assignment. Any assignment by ARAMARK shall not be effective

unless the new party (assignee) agrees to all of the terms and conditions of the Agreement. Any assignment by ARAMARK shall not relieve ARAMARK from any and all liability under this Agreement. For purposes of this Agreement, "affiliate" shall mean any corporation, limited liability company or any other person controlling, controlled by or under common control with, ARAMARK

Except as otherwise provided in this Agreement, the State may not assign the Program IP or this Agreement as a way to assign the Program IP without ARAMARK's prior written consent and any assignment without ARAMARK's written consent shall be void ab initio.

11. Lobbying

ARAMARK must comply with all federal laws restricting and/or limiting lobbying activities of recipients of federal funds including, but not limited to, 31 U.S.C. Section 1352 and Section 503 of the Departments of Labor, the State, Human Services Education, and Related Agencies Appropriations Act (Public Law 104-209).

12. Representations and Warranties

ARAMARK represents and warrants to the State that the necessary licenses have been secured by ARAMARK for the Services covered by this Agreement. ARAMARK further warrants that the Services performed hereunder will be performed in a manner and in accord with any and all applicable federal, state or local statutes, regulations, ordinances, policies and procedures or contracts applicable to the Services covered hereunder.

13. Presence on State Property

- A. ARAMARK agrees that it will ensure that all persons working for or on behalf of ARAMARK whose duties bring them upon State's premises shall obey the rules, regulations, policies and procedures that are established by the State and provided in writing to ARAMARK and shall comply with such reasonable directions as the representatives of the State may give to ARAMARK.
- B. ARAMARK is responsible for the acts of its employees and agents while on the State's premises. Accordingly, ARAMARK agrees to take all necessary measures to prevent injury and loss to persons and property located on the State's premises. ARAMARK is responsible for all damages to persons or property caused solely by ARAMARK or any of its agents or employees. ARAMARK shall promptly repair, in accordance with specifications of the State, any damage that it, or its employees or agents, may cause to the State's premises or equipment. On ARAMARK's failure to do so, the State

may repair such damage and request that ARAMARK reimburse the State for such damages.

C. ARAMARK agrees that in the event of an accident of any kind, ARAMARK will immediately notify the State Capitol Police and/or local authorities, and thereafter furnish a full written report of such accident to the State.

D. ARAMARK shall perform the Services without interfering in any way with the activities of the State's employees or visitors.

14. Responsibility for Equipment

The State has no responsibility for the loss, theft, mysterious disappearance of or damage to equipment, tools, materials, supplies, and other personal property of ARAMARK or its employees, subcontractors, or material men, which may be located or stored on the State's premises.

15. Standard of Performance

ARAMARK agrees to use its reasonable best efforts, skill, diligence, judgment and abilities to perform the Services specified in this Agreement in a manner acceptable to the State and in compliance with all applicable, federal, state, and municipal laws, regulations, codes, ordinances, and orders and with those of any other body or authority having jurisdiction.

16. Independent Contractor

The Parties stipulate and agree that ARAMARK is an independent contractor. The State has no authority to supervise or direct the means or methods whereby ARAMARK performs hereunder, and the State is interested only in the product to be produced and Services to be rendered by ARAMARK. Further, ARAMARK's agents or employees shall not be considered as agents of the State, and shall have no right or interest in the rights and benefits of Rhode Island employees. ARAMARK shall assume full responsibility for the actions of its personnel while performing Services under this Agreement.

17. Continuity of Services

ARAMARK realizes that the Services under this Agreement are very important to the State and must be continued without interruption and that upon the Agreement's expiration, termination or other cessation, a successor, either a new vendor or the State, may continue them in full or in part. ARAMARK covenants in good faith to make an orderly transition of the Services and to perform any and all Services in good faith that are necessary to preserve the integrity of the Program and operations at no additional cost to the State. ARAMARK shall

undertake reasonable best efforts to ensure that the transition will be performed in a professional and businesslike manner, and shall comply with the reasonable request and requirements of the State and any successor to accomplish a successful, seamless and unhindered transfer of the Program

18. Confidentiality

The Parties agree to maintain as confidential any material: (a) relating to this Agreement which is not a public record under the Rhode Island Public Access to Records Act; and (b) which ARAMARK and/or the State marks "confidential" including, but not limited to, trade secrets (including ARAMARK's Trade Secrets), proprietary information, commercial, or financial information, except as otherwise provided in the Rhode Island Public Access to Records Act

19. Severability

If any provision hereof is found to be illegal, invalid, or unenforceable for any reason, such finding shall not affect the other provisions hereof; provided, however, that if the illegality, invalidity or unenforceability of the illegal, invalid or unenforceable provision causes this Agreement to fail of its essential purpose, then this entire Agreement shall become invalid and shall be null and void.

20. Waiver

No term or condition of this Agreement shall be considered waived and no breach excused by either of the Parties unless made in writing. No consent, waiver, or excuse by either of the Parties, express or implied shall constitute a subsequent consent, waiver or excuse.

21. Notices

Any notices required, or to be given in connection with this Agreement shall be sent by certified mail or facsimile, proof of transmission retained, to the following:

To the State:

Director of Department of Administration and Purchasing Agent
RI Department of Administration
One Capitol Hill
Providence, RI 02908, Fax number (401) 222-2280

Commissioner of Education
255 Westminster Street
Providence, RI 02908

To ARAMARK:

ARAMARK EDUCATIONAL SERVICES, LLC

Attn: Vice Pres and Chief Financial Officer, ARAMARK Education (K-12)
2300 Warrenville Rd
Downers Grove, IL 60515

ARAMARK EDUCATIONAL SERVICES, LLC

Attn: Vice Pres and Associate Gen Counsel, ARAMARK Education (K-12)
ARAMARK Tower
1101 Market Street, 29th Floor
Philadelphia, Pennsylvania 19107-2988

22. Designated Representatives

The persons named below are hereby designated as the representative for each of the Parties for communication in matters pertaining to this Agreement. Any change in such designation shall be in writing, sent to the address set forth above. Notice of change in any designation shall be accomplished in the same manner.

For the State:

Adrienne DiMeo
RI Department of Education
Westminster Street
Providence, Rhode Island 02908

For ARAMARK:

Ms. Beth Emery
ARAMARK Educational Services, LLC
44 Sawyer Drive
Dedham, MA 02026

Merrie Bernstein
ARAMARK Educational Services, LLC
10 Timberline Drive
Bridgewater, NJ 08807

23. Termination

- A. Neither ARAMARK, nor its consultants, subcontractors or suppliers shall be entitled to lost profits on work not performed or Services not

provided due to termination. Notwithstanding anything to the contrary, the State shall not be responsible or liable to ARAMARK for any claims brought by its consultants, subcontractors or suppliers arising out of termination.

- B. In the event that either of the Parties materially fails to perform its obligations under this Agreement, the other of the Parties may terminate this Agreement immediately upon written notice of termination setting forth the nature of the failure to perform said obligations under this Agreement.
- C. The State may, without cause, terminate this Agreement at any time upon giving sixty (60) days' advance notice to ARAMARK.
- D. The State may terminate ARAMARK upon thirty (30) days prior written notice, if ARAMARK:
 - (i) Files for, is adjudged bankrupt, is subject to an involuntary bankruptcy filing, or makes a general assignment for the benefit of its creditors;
 - (ii) Appoints a receiver or a trustee to administer ARAMARK's property;
 - (iii) Abandons all or a part of the Services under the Agreement;
 - (iv) Assigns the Agreement or claims hereunder, other than as allowed under the Agreement, without the prior written consent of the State;
 - (v) Is indicted and convicted of criminal charges that jeopardize ARAMARK's performance of the Agreement;
 - (vi) Participates in fraudulent activities that jeopardize ARAMARK's performance of the Agreement.
- E. The State is entitled (but not obligated) to cure any default of ARAMARK and has the right to request reimbursement from ARAMARK for any and all reasonable expenses incurred in connection with such curative actions.
- F. Upon the State's termination for any of the reasons set forth above in this Section, the State shall not be liable to ARAMARK for Services rendered or any other expenses, damages or liabilities incurred after the effective date of the termination.

24. Financial Statements, Inspection and Recordkeeping

- A. Annually, ARAMARK shall provide the State with a copy of ARAMARK Corporation's Form 10-K filed with the United States Securities and Exchange Commission
- B. ARAMARK agrees to keep discrete financial records of expenditures made under this Agreement; to maintain such records in accordance with standard accounting practices; and to make such records available on request to appropriate state and/or federal officials for examination or audit

25. On-Site Inspection

ARAMARK agrees to permit on-site monitoring, evaluation and inspection of all activities related to this Agreement by officials of the State, its designee, and, where appropriate, the federal government

26. Insurance

- A. Throughout the term of this Agreement, ARAMARK shall procure and maintain, at no cost or expense to the State, and provide annually to the State certificates of insurance evidencing the following:
 - (i) Commercial general liability insurance policy in the amount of at least (a) \$1,000,000 annual aggregate bodily injury and property damage, and (b) automobile liability insurance, combined single limit \$1,000,000 each occurrence bodily injury and property damage for owned and leased vehicles. The State of Rhode Island shall be listed as an additional insured, as its interest may appear. Along with the certificate of insurance, ARAMARK shall submit to the State a copy of the policy endorsement evidencing the State as an additional insured
 - (ii) Workers compensation insurance for ARAMARK as required by applicable federal and state law
 - (iii) Errors and Omission insurance policy in the amount of at least \$1,000,000 per occurrence and \$1,000,000 in the aggregate
 - (iv) Crime Insurance (Dishonesty, Disappearance and Destruction) with computer and funds transfer included in

the amount of \$1,000,000 per occurrence and \$1,000,000 in the aggregate.

- B. Notice of cancellation or alteration of any kind of the insurance referenced above will be sent by the issuing company to the State within thirty (30) days prior to cancellation. The failure of ARAMARK to so notify the State shall constitute an event of default under this Agreement.
- C. Pursuant to the provisions of the Food Service Management Agreement, ARAMARK shall charge a Charge to each School Food Authority participating in the Program for the insurance coverage set forth above and in the Food Service Management Agreement. The State may request higher limits or different coverages after examination of the ARAMARK's Services under this Agreement as mutually agreed by the Parties. ARAMARK agrees to supply such additional protection as the Parties shall deem commercially reasonable. The State agrees to pay the additional amount whenever a change in coverage increases the cost of business to ARAMARK.

27. Cooperation with the State

- A. ARAMARK shall comply with the background check and fingerprinting requirements set forth in the Standard Terms and Conditions.
- B. ARAMARK shall cooperate with the State in all matters relating to the Program including the reporting of suspected security violations. ARAMARK shall immediately notify the State of any evidence of security breaches.

28. Indemnification

- A. To the fullest extent permitted by law, ARAMARK will and does hereby agree to indemnify, protect, defend with counsel approved by the State, and hold harmless the State and its respective affiliated enterprises, regents, officers, directors, attorneys, employees, representatives and agents (collectively hereinafter "Indemnitees") from and against all damages, losses, liens, causes of action, suits, judgments, expenses (including reasonable attorney's fees), and other claims of any nature, kind, or description (collectively hereinafter "Claims") by any person or entity, arising out of, caused by, or resulting from ARAMARK's performance under this Agreement and that are caused in whole or in part by any negligent act, negligent omission or willful misconduct of ARAMARK, anyone directly employed by ARAMARK or anyone for whose acts ARAMARK may be liable. The provisions of this Section 28 will not be

construed to eliminate or reduce any other indemnification or right which any indemnitee has by law or equity

- B. To the fullest extent permitted by law, the State will and does hereby agree to indemnify, protect, defend with counsel approved by ARAMARK, and hold harmless ARAMARK and its respective affiliated enterprises, regents, officers, directors, attorneys, employees, representatives and agents (collectively hereinafter "Indemnitees") from and against all damages, losses, liens, causes of action, suits, judgments, expenses (including reasonable attorney's fees), and other claims of any nature, kind, or description (collectively hereinafter "Claims") by any person or entity, arising out of, caused by, or resulting from State's performance under this Agreement and that are caused in whole or in part by any negligent act, negligent omission or willful misconduct of the State, anyone directly employed by the State or anyone for whose acts the State may be liable. The provisions of this Section will not be construed to eliminate or reduce any other indemnification or right which any Indemnitee has by law or equity

29. Proprietorship

- A. The State shall be sole owner of all intellectual property developed independently or developed prior to or separately from this Agreement by the State (hereinafter the "State IP"). ARAMARK shall be sole owner of all intellectual property developed independently or developed prior to or separately from this Agreement by ARAMARK, including, but not limited to, ARAMARK's Trade Secrets (defined below) and that intellectual property described on Exhibit 2 hereto (collectively hereinafter the "ARAMARK IP"). Immediately upon expiration or termination of this Agreement for any reason: (a) ARAMARK shall return to the State or destroy, at the State's election, all State IP in its possession; and (b) the State shall return to ARAMARK or destroy, at ARAMARK's election, all ARAMARK IP in its possession.
- B. The Parties acknowledge that ARAMARK will make a financial commitment, during the period from September 21, 2007 through June 30, 2008, of up to Two Hundred Fifty Thousand Dollars (\$250,000) (the "Financial Commitment") for the preparation and implementation of the Program, the development of the Program IP (defined below) and the conversion of as many Rhode Island Districts into the Program as possible. The Financial Commitment shall be amortized on a straight-line basis over a period of four (4) years, commencing on July 1, 2008. The amortization will not be charged to the State during the period of time that this Agreement remains in effect or upon termination as set forth in this Agreement.

- C. Except as otherwise provided in this Agreement, the State shall be sole owner of all intellectual property: (a) jointly developed under this Agreement during the period from September 21, 2007 through June 30, 2008, as mutually agreed in writing by the Parties; or (b) commissioned in writing by the State for the Program; such intellectual property to include, but not be limited to, finished or unfinished documents, computer software, data studies, marks, reports prepared or acquired by ARAMARK and/or the State during the period September 21, 2007 through June 30, 2008 for the Program under this Agreement (the "Program IP"). ARAMARK agrees to assign the Program IP to the State; provided, however, that ARAMARK shall retain a perpetual, royalty-free license to use the Program IP (the "ARAMARK License") with the understanding that the State may require that the use of any marks by ARAMARK that are part of the Program IP be subject to an appropriate license agreement providing the State with the right to inspect the marks for quality control purposes. The State acknowledges that in using the Program IP, ARAMARK shall reserve the right, under the ARAMARK License, to modify or customize the Program IP for use with other clients or potential clients.
- D. Upon expiration or termination of this Agreement by either of the Parties for any reason whatsoever prior to the complete amortization of the Financial Commitment, the State shall have the right to offer the use of the Program IP, solely in connection with the Program, to the successor food service management company replacing ARAMARK as the preferred vendor for the Program (the "Successor FSMC"), if any. The State shall require the Successor FSMC to elect or not elect to use the Program IP within thirty (30) days of the date of expiration or termination of this Agreement by either of the Parties for any reason whatsoever. In the event that the Successor FSMC elects to use the Program IP, the State shall contractually obligate the Successor FSMC to reimburse ARAMARK for the total unamortized balance of the Financial Commitment as of the date of expiration or termination of this Agreement with such payment to be made by the Successor FSMC to ARAMARK within sixty (60) days of the date of expiration or termination of this Agreement. In exchange for such reimbursement, ARAMARK and the State agree to limit the ARAMARK License to preclude ARAMARK from using the Program IP within the State of Rhode Island for purposes of directly competing with the Program. Nothing contained in such limitation shall preclude or prohibit ARAMARK from competing with the Program and/or the Successor FSMC so long as such competition does not include the use of the Program IP. In the event that the Successor FSMC timely elects not to use the Program IP, the State agrees to return all such Program IP to ARAMARK within thirty (30) days of the date that the Successor FSMC makes its election and to immediately assign to ARAMARK any and all rights, title and/or interest

that the State may have in and to the Program IP. In addition, in the event that the State elects not to replace ARAMARK with another food service management company and/or elects to discontinue the Program, the State agrees to return all such Program IP to ARAMARK within thirty (30) days of the date it makes its election (and in any event no more than sixty (60) days after the expiration or termination of this Agreement) and to immediately assign to ARAMARK any and all rights, title and/or interest that the State may have in and to the Program IP

30. Trade Secrets and Proprietary Information

During the term of this Agreement, ARAMARK may grant to the State a non-exclusive right to access certain proprietary materials of ARAMARK including menus, recipes, signage, food service surveys and studies (except those jointly developed in relation to the Program), management guidelines and procedures, operating manuals, software (both owned by and licensed to ARAMARK) and similar compilations regularly used in ARAMARK's business operations ("ARAMARK's Trade Secrets") The State shall not disclose any of ARAMARK's Trade Secrets or other confidential information, directly or indirectly, during or after the term of this Agreement. The State shall not photocopy or otherwise duplicate any such material without the prior written consent of ARAMARK. All of ARAMARK's Trade Secrets such as signage, servicemarks or trademarks proprietary to ARAMARK and other confidential information shall remain the exclusive property of ARAMARK. The State shall not use any confusingly similar names, marks, systems, insignia, symbols or procedures and methods. Without limiting the foregoing, the State specifically agrees that all software associated with the operation of the Program and/or the food service program at any of the Rhode Island Districts participating in the Program, including without limitation, menu systems, food production systems, accounting systems, and other software, are owned by or licensed to ARAMARK and not the State. Furthermore, the State's access or use of such software shall not create any right, title interest, or copyright in such software, and the State shall not retain such software beyond the expiration or termination of this Agreement for any reason. In the event of any breach of this provision, ARAMARK shall be entitled to equitable relief, including an injunction or specific performance, in addition to all other remedies otherwise available. This provision shall survive the expiration or termination of this Agreement. Notwithstanding the above, the State shall not be deemed in breach of this Agreement for disclosing Trade Secrets that: (1) have been disclosed, now or in the future, by ARAMARK or some party other than the State; or (2) by virtue of being in the public domain from some other source or through access to public records of the federal, state or local cities and towns

31. Copyright

Reports or other documents produced which constitute Program IP shall either bear no copyright notice or indicate that the State is the owner of the copyright.

32. Publicity

ARAMARK will give due credit to the State and the appropriate state and/or federal agencies on all media announcements, billboards, and educational materials produced or developed under the scope of this Agreement. The State will give due credit to ARAMARK on all media announcements, billboards, and educational materials produced or developed under the scope of this Agreement

33. Interest of ARAMARK

ARAMARK covenants that it presently has no pecuniary interest and shall not acquire any such interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement, except that ARAMARK shall be permitted to continue to provide food service management services to its existing school district clients in the State of Rhode Island, even if such school district clients elect not to participate in the Program. ARAMARK further covenants that in the performance of this Agreement no person having any such interest shall be employed

34. Civil Rights

ARAMARK agrees to abide by applicable provisions of Title VI of the Civil Rights Act of 1964, as amended; Section 504 of the Rehabilitation Act of 1973; the Age Discrimination Act of 1975 (P.L. 94-135, Title III); the Americans with Disability Act of 1990 (P.L. 101-336); all other applicable federal and state laws relating to equal employment opportunities; State Executive Order No. 19 dated 15 December 1977, State Executive Order No. 80-9 dated 24 March 1980, and State Executive Order No. 85-11. ARAMARK asserts that no person shall, on the grounds of race, color, national origin, religion, sex, age, political belief, sexual preference, or handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activities undertaken in behalf of this Agreement. In addition, ARAMARK agrees to establish a procedure for investigating a complaint from any person who believes that such discrimination is being practiced in any activity relating to this Agreement

35. Drug Free Workplace Policy

ARAMARK agrees to comply with the requirements of the Governor's Executive Order No. 91-14, the State's Drug Free Workplace Policy, and the Federal Omnibus Drug Abuse Act of 1988. ARAMARK acknowledges that a violation of the Drug Free Workplace Policy may, at the State's option, result in termination of this Agreement.

36. Environmental Tobacco Smoke

ARAMARK agrees to comply with Public Law 103-227, also known as the Pro-Children Act of 1994 (Act), which requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by the entity and used routinely or regularly for the provision of day care, early childhood development services, education or library services to children under the age of 18 in the State of Rhode Island, if the services are funded by Federal programs either directly or through State or local governments, by federal grant, contract, loan or loan guarantee. The law also applies to children's services that are constructed, operated or maintained with such funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable Federal funds is Medicare or Medicaid; or facilities where WIC coupons are redeemed

37. Laws of Rhode Island and Venue

It is understood and agreed that this Agreement shall be governed by the laws of the State of Rhode Island, both as to interpretation and performance. Venue for any and all legal actions arising hereunder shall lie in the Superior Court in and for the County of Providence, State of Rhode Island

38. Counterparts

This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

39. Delays

Whenever ARAMARK has knowledge that any actual or potential situation is delaying, or tends to delay the timely performance of work under this Agreement, ARAMARK shall immediately give written notice thereof, including all relevant information with respect thereto, to the State.

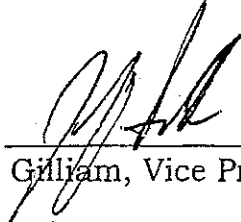
40. Entire Agreement

This Agreement contains the sole and entire agreement between the Parties, and supersedes and renders null and void any and all other agreements between them. The Parties acknowledge and agree that none of them has made any representation with respect to the subject matter of this Agreement or any representations inducing the execution and delivery hereof except such representations as are specifically set forth herein, and each of the Parties acknowledges that it has relied on its own judgment in entering into the Agreement. The Parties further acknowledge that any statements or representations that may have heretofore been made by either of them to the other are void and of no effect and that neither of them has relied thereon in

connection with this Agreement or its dealings with the other. This Agreement may be amended or extended by mutual written consent.

IN WITNESS WHEREOF, the Parties execute this Agreement as of the date first set forth above

ARAMARK Educational Services, LLC

By: 
Jeff Gilliam, Vice President

State of Rhode Island and Providence Plantations
Department of Education

By: 
Peter McWalters, Commissioner of Education

Exhibit 1

SERVICES

As a result of ARAMARK's services under this Agreement, the Program will:

1. Meet high nutrition standards for all foods sold and/or offered in Rhode Island Districts under the auspices of the school food service program (also referred to as RINR 2009 {Rhode Island Nutrition Requirements})
2. Promote healthy eating through the offering of only healthy choices everyday.
3. Purchase and serve Rhode Island-grown/locally grown fruits, vegetables and dairy products whenever possible – actively pursue locally grown farm-fresh items.
4. Develop and maintain the cafeteria as a nutrition education-learning environment.
5. Provide full disclosure of all discounts, rebates, allowances and incentives received by the management company from suppliers
6. Transport foods and meals in the most efficient manner possible – including across district lines and between Rhode Island Districts.
7. Promote maximum utilization of the USDA National School Lunch Program (NSLP), School Breakfast Program (SBP), and/or After School Snack Program and discourage, as appropriate, use of the a la carte programs in place of a nutritious, reimbursable meal.
8. Save the Rhode Island Districts money in management fees, wherever possible, including, but not limited to, by streamlining and cooperatively sharing management activities and the costs thereof amongst the Rhode Island Districts. To be more specific, the State envisions that the food service managers providing management services to the Rhode Island Districts will operate on a regional basis, with about 10-12 managers statewide.
9. Seek ways to increase food service revenue by encouraging reimbursable meals to students, by promoting meals to teachers and school staff, by catering school activities, by operating vending where opportunities exist, and by preparing vended meals during the summer for the Summer Food Service Program (SFSP) sponsors, if applicable.
10. Utilize on-line accountability software to collect and report accurate daily meal counts and that interfaces with school attendance systems for enrollment and students' eligibility and with the State's eSNACS for Federal monthly school meals reimbursements.
11. Provide detailed financial data to the State on an annual basis in conjunction with the Net Cash Resource reporting requirement.
12. Work towards adequate and well maintained equipment, owned by the Rhode Island Districts

13. Work towards hiring all food service staff as employees of ARAMARK over time for consistency and efficiency among Rhode Island Districts.
14. Work towards having all food service staff certified over time in food safety by a Rhode Island recognized food safety course
15. Work towards having every School Food Authority participating in the "Rhode Island Food Safe Schools Program."
16. Ensure that all food safety inspections conducted meet USDA's Regulation (7 CFR Parts 210 and 220) of two inspections per school during each school year
17. Ensure that every kitchen develops, maintains and implements a HACCP Plan according to USDA's Regulations (Public Law 108-265, Sec. 111, 9(h) no 5)

The Services under this Agreement can be organized into two general categories:

1. school food service implementation/operational activities conducted **at the state level** for all of the Rhode Island Districts enrolled in and/or eligible to participate in the Program and ancillary/complementary efforts of interest to the State; and
2. school food service program operations **at the school district level**

In the first year of the Agreement, ARAMARK will conduct an inventory of needs, facilities, and specifications of the Rhode Island Districts expressing an interest in participating in the Program in order for such Rhode Island Districts to execute individual District Contracts and to provide a statewide overview and analysis of Program needs. This year shall also be used to recruit as many Rhode Island Districts into the Program as possible.

The tasks below outline the state level and district level activities, deliverables and time frames. Oversight of all state level activities will be carried out by the State or the State's designee. ARAMARK and the State shall meet periodically to review and mutually agree upon any revisions to timeframes for each task set forth below.

STATE LEVEL ACTIVITIES:

| TASK | DUE DATE | DELIVERABLE |
|--|---|--|
| <ul style="list-style-type: none"> Accomplish a statewide overview of program needs, including those items discussed in the scope of work and program overview. Complete an inventory of the equipment needs, facilities upgrades, etc for those Rhode Island Districts that express an interest in participating in the Program for the 2008/2009 School Year Additional inventories shall be completed during each subsequent year of this Agreement for those Rhode Island Districts expressing an interest in participating in the Program for such year Develop a state plan of anticipated staffing needs. Develop a plan for staff development that includes wellness education and activities. Develop a state plan to encourage/recruit the Rhode Island Districts to participate in the Program | <p>Year One</p> <p>April 30, 2008</p> | <p>Needs assessment conducted; report submitted.</p> <p>Inventory completed and submitted</p> <p>Plan developed</p> <p>Plan developed</p> <p>Plan developed.</p> |
| <ul style="list-style-type: none"> Work with state level staff to establish: <ul style="list-style-type: none"> annual nutrition goals for breakfasts, lunches and after school snacks; annual specific timelines for all statewide activities including reporting methods and deadlines; food inspections; and ensuring that all participating Rhode Island Districts meet the FSMC fiscal requirements as outlined in Appendix VIII of the RFP. goals and guidelines for parent, student and family involvement in school food services programs including menu choices and food | <p>Year Two & subsequent years</p> <p>August 30</p> | <p>Goals, guidelines and timelines established</p> |

| TASK | DUE DATE | DELIVERABLE |
|--|---|--|
| <p>safety issues; and any other annual statewide efforts such as replacing equipment or delivery vehicles and facilities upgrades; and staff development</p> <ul style="list-style-type: none"> Revise, as necessary, the Food Service Management Agreement in conjunction with the State. | | <p>Food Service Management Agreement revised as necessary.</p> |
| <ul style="list-style-type: none"> Execute District Contracts or Annual Renewals with all participating Rhode Island Districts. Develop a state plan that responds to the participating Rhode Island Districts' needs for requesting and distributing federal commodities including fruits and vegetables (note: ARAMARK shall coordinate with the State Department of Corrections, Central Distributions Center and/or any other appropriate agency to carry out this task) Develop a state plan that includes using local, fresh produce when available, including the Farm-to-School program Develop a state plan to increase student participation. Develop a state plan to implement/upgrade the participating Rhode Island Districts' food service technology (electronic meal accountability systems) in accordance with the requirements outlined in Appendix IX of the RFP Develop a state plan that reports on the needs assessment of equipment and facilities and ways in which to regionalize | <p>Year Two & subsequent years</p> <p>August 30</p> | <p>Contracts and Annual Renewals executed.</p> <p>State plan developed.</p> <p>State plan developed.</p> <p>State plan developed.</p> <p>State plan developed.</p> |

| TASK | DUE DATE | DELIVERABLE |
|---|---|--|
| equipment and facilities for those Rhode Island Districts that have expressed an interest in participating in the Program | | |
| <p>ARAMARK will comply with USDA competitive procurement standards for all food supplies it purchases in connection with ARAMARK's performance of the Agreement and the Food Service Management Agreements with each participating Rhode Island District</p> <p>ARAMARK will utilize competitive processes in connection with all of its food purchases, including: negotiating highly competitive contracts directly with manufacturers; regularly monitoring and, as necessary, renegotiating ARAMARK's supply contract with its national food distributor to ensure that ARAMARK is obtaining competitive market prices for the required levels of food safety, nutrition and product quality; and relying on other competitive practices including competitive bidding and other forms of open competition</p> <p>ARAMARK shall develop a statewide plan to purchase food meeting ARAMARK quality standards at the lowest cost to the participating Rhode Island Districts using State Master Price Agreements, cooperative purchasing, and/or any other appropriate procurement process permissible under USDA competitive procurement standards and the USDA competitive procurement regulations</p> <p>ARAMARK may provide market basket prices along with methods of procurement and distribution</p> | <p>Year Two & subsequent years</p> <p>August 30</p> | <p>State plan developed</p> |
| <ul style="list-style-type: none"> Prepare quarterly and year-end financial reports to include: (a) cost analysis of labor, food and non-food purchases, including measure of productivity percentages, i.e. operating ratios, per meal cost, meal labor hours and meal | <p>Year Two & subsequent years</p> | <p>Quarterly Report submitted:</p> <p>Q1 - October 31</p> <p>Q2 - January 31</p> <p>Q3 - April 30</p> <p>Q4 - July 31</p> |

| TASK | DUE DATE | DELIVERABLE |
|---|----------|-------------|
| equivalents; (b) meals served analysis; (c) commodities entitlement and commodities used; and (d) other sales (non reimbursable meals), i.e. vended meals, catering, and special events | | |

DISTRICT LEVEL ACTIVITIES:

| TASK | DUE DATE | DELIVERABLE |
|---|--|--|
| <ul style="list-style-type: none"> Develop a local plan to ensure adequate oversight by a food service director, staffing, equipment, food inspections, etc. for each of the participating Rhode Island Districts in accordance with the relevant Food Service Management Agreement. Plan for and provide breakfasts, lunch and after school snacks in accordance with each Food Service Management Agreement and the state plan, including RINR 2009 Plan and provide for all parent/student involvement in keeping with the state plan and in accordance with each Food Service Management Agreement. Plan and provide for all equipment/facility upgrades in accordance with each Food Service Management Agreement and the state plan. This includes policies and procedures for Rhode Island District ownership over time of all vehicles used to transport food/meals, etc. in order to streamline and improve the efficiency of such deliverables across the Rhode Island Districts. Plan and provide all fiscal and data oversight and reporting in accordance | Year Two & subsequent years, September to June, unless otherwise noted. | <p>Local plans written.</p> <p>Plans developed</p> <p>Plans developed.</p> <p>Plans developed</p> <p>Plans developed</p> |

| | | |
|---|--|-----------------|
| <p>with the state plan and each Food Service Management Agreement</p> <ul style="list-style-type: none"> Plan and provide for staff development, including wellness education, in accordance with the state plan and each Food Service Management Agreement. | | Plans developed |
| <ul style="list-style-type: none"> Develop a plan in conjunction with Rhode Island Districts' staff to purchase an on-line keypad (card) accountability system if there is not one already in each of the participating Rhode Island Districts. If the participating Rhode Island District has such a system, ARAMARK will optimize use of the system to avoid incorrect and inconsistent data and to promote over time a single, seamless statewide school meal fiscal/data system (Note: all accountability systems must interface with eSNACS, School Max, and/or all other appropriate platforms and systems. Information may be electronically uploaded from another system into eSNACS.) See Appendix IX of the RFP. | <p>On-going, annual basis, September to June, unless otherwise noted.</p> | Plan developed |
| <ul style="list-style-type: none"> ARAMARK will comply with USDA competitive procurement standards for all food supplies it purchases in connection with ARAMARK's performance of the Agreement and the Food Service Management Agreements with each participating Rhode Island District. ARAMARK will utilize competitive processes in connection with all of its food purchases, including: negotiating highly competitive contracts directly with manufacturers; regularly monitoring and, as necessary, renegotiating ARAMARK's supply contract with its national food distributor to ensure that ARAMARK is obtaining competitive market prices for the required levels of food safety, nutrition | <p>On-going, annual basis, September to June, unless otherwise noted.</p> | Food purchased |

| | | |
|---|--|--|
| <p>and product quality; and relying on other competitive practices including competitive bidding and other forms of open competition ARAMARK shall develop a statewide plan to purchase food meeting ARAMARK quality standards at the lowest cost to the participating Rhode Island Districts using State Master Price Agreements, cooperative purchasing, and/or any other appropriate procurement process permissible under USDA competitive procurement standards and the USDA competitive procurement regulations ARAMARK may provide market basket prices along with methods of procurement and distribution</p> | | |
| <ul style="list-style-type: none"> • Charge a reasonable, consistent management fee to all participating Rhode Island Districts in FY 2008/2009; this amount may be increased over the life of the Food Service Management Agreement by mutual consent | | <p>Appropriate fees established and charged</p> |
| <ul style="list-style-type: none"> • Establish an annual overall (to account for national volume discounts and rebates and procurement fees charged under prior contracts) per meal/snack cost that is equal to or less than the current costs in participating Rhode Island Districts adjusted for reasonable annual increases and program alterations (e.g. the Wellness Policy) | | <p>Costs established.</p> |
| <ul style="list-style-type: none"> • Execute District Contracts and Annual Renewals using a fixed per meal Management Fee and General Support Fee in accordance with the Food Service Management Agreement | | <p>Fixed per meal Management Fee and General Support Services Fee established and included in contracts.</p> |
| <ul style="list-style-type: none"> • Develop and use a standard invoice format for all participating Rhode Island Districts. | | <p>Standard invoice developed & used</p> |

| | | |
|--|--|--------------------------|
| <ul style="list-style-type: none"> • Monitor school food service program expenditures and revenues; report on these on a regular basis; and prepare written plans to address any operating deficit or to use operating surpluses with state approval as needed The intent is that no program operates on a deficit basis and that surplus funds be used to improve program or equipment needs | | <p>Reports submitted</p> |
|--|--|--------------------------|

Exhibit 2

ARAMARK INTELLECTUAL PROPERTY

ARAMARK IP shall include, but not be limited to, the following:

1. U.B.U. Lounge:

The U B U Lounge is an ARAMARK proprietary high school branded concept that reflects the habits, choices and requirements of today's teen students. ARAMARK developed a complete packaged solution that elevates a traditional cafeteria setting to the level of a powerful brand. The proprietary brand elements include: graphics and graphic modules, menu boards, lighting fixtures, murals, living room furniture, display panel hardware, employee uniforms, communication tools, branded signage, merchandising equipment, smallwares, music sound system (if Muzak is used), destination fixtures and recipes. Specified paint shall remain.

2. 12 Spot

The 12 Spot is an ARAMARK proprietary middle school branded concept that reflects the habits, choices and requirements of today's "tween" students. ARAMARK developed a complete packaged solution that elevates a traditional cafeteria setting to the level of a powerful brand. The proprietary brand elements include: seasonal graphics and graphic modules, menu boards, lighting fixtures, murals, display panel hardware, employee uniforms, communication tools, branded signage, merchandising equipment, small wares, music sound system (Muzak), destination fixtures and recipes. Specified paint shall remain.

3. One World Café

The One World Café is an ARAMARK proprietary K-12 brand dining solution that enables a school to transform a sterile school cafeteria into a kid friendly, fun and cool place. The proprietary elements of the brand include: graphics through the use of station icons, murals, valence patterns and counter front signage, recipes, menu templates, merchandising through the use of uniforms, sign holders, line merchandising vessels, ARAMARK specific stationary which includes menu paper, letterhead, labels and any use of Spike, the One World Café character brand mascot. Specified paint shall remain.

4. The ARAMARK "Casual Catering" brand.

- a.** All ARAMARK nutrition, wellness and promotion programs and curricula including, but not limited to Treat Yourself Right, Amp Up with Breakfast, Fuel, SnackFactor and Spike Monthly and Live Programs
- b.** Electronic and other surveys developed to assist in gathering data and assessing the needs and requirements of a particular school district
- c.** ARAMARK sales materials developed specifically to recruit Rhode Island Districts to participate in the Program
- d.** ARAMARK menus, recipes, and promotional plans developed for programs such as Guest Chef, Harvest Fest & ARAMARK Farm to School materials
- e.** ARAMARK templates for Monthly Joint Reviews and Price Increase Requests
- f.** Proposed Organizational Chart with List of ARAMARK Managers to Work in Rhode Island
- g.** ARAMARK's internal training programs and materials for our managers and front line employees
- h.** Proprietary financial accounting software, including, but not limited to, ARAMARK's FSA program
- i.** ARAMARK's PRIMA food production system
- j.** Information technology reports produced by ARAMARK and/or its subcontractors, vendors and/or consultants
- k.** Other concepts which may be developed by or for ARAMARK independent of the Program including, but not limited to, new concepts and/or concepts replacing, updating or revising any of the ARAMARK IP set forth in this Exhibit 2.

Contract Terms and Conditions**Table of Contents**

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Terms and Conditions

PURCHASE ORDER STANDARD TERMS AND CONDITIONS

TERMS AND CONDITIONS FOR THIS PURCHASE ORDER

BLANKET PAYMENT

DELIVERY OF GOODS OR SERVICES AS REQUESTED BY AGENCY. PAYMENTS WILL BE AUTHORIZED UPON SUBMISSION OF PROPERLY RENDERED INVOICES NO MORE THAN MONTHLY TO THE RECEIVING AGENCY. ANY UNUSED BALANCE AT END OF BLANKET PERIOD IS AUTOMATICALLY CANCELLED.

EQUAL OPPORTUNITY COMPLIANCE

THIS PURCHASE ORDER IS AWARDED SUBJECT TO EQUAL OPPORTUNITY COMPLIANCE

PURCHASE AGREEMENT AWARD

THIS IS A NOTICE OF AWARD, NOT AN ORDER. Any quantity reference in the agreement or in the bid preceding it are estimates only and do not represent a commitment on the part of the state to any level of billing activity, other than for quantities or volumes specifically released during the term. No action is to be taken except as specifically authorized, as described herein under AUTHORIZATION AND RELEASE ENTIRE AGREEMENT - This NOTICE OF AWARD, with all attachments, and any release(s) against it shall be subject to: (1) the specifications, terms and conditions set forth in the Request/Bid Number cited herein, (2) the General Terms and Conditions of Contracts for the State of Rhode Island and (3) all provisions of, and the Rules and Regulations promulgated pursuant to, Title 37, Chapter 2 of the General Laws of the State of Rhode Island. This NOTICE shall constitute the entire agreement between the State of Rhode Island and the Vendor. No assignment of rights or responsibility will be permitted except with the express written permission of the State Purchasing Agent or his designee. CANCELLATION, TERMINATION and EXTENSION - This Price Agreement shall automatically terminate as of the date(s) described under CONTRACT PERIOD unless this Price Agreement is altered by formal amendment by the State Purchasing Agent or his designee upon mutual agreement between the State and the Vendor.

PARTIAL PAYMENTS

PARTIAL OR PROGRESS PAYMENTS MAY BE MADE. PAYMENT WILL BE AUTHORIZED UPON RECEIPT AND ACCEPTANCE BY THE AGENCY OF THE PORTION OF THE CONTRACT OR PURCHASE ORDER COMPLETED BY THE VENDOR. PAYMENT UPON THE RENDERING OF A PROPERLY SUBMITTED INVOICE

AUTHORIZATION AND RELEASE

In no event shall the Vendor deliver goods or provide service until such time as a duly authorized release document is certified by the ordering Agency. A Direct Purchase Order (DPO) shall be created by the agency listing the items ordered, using the pricing and format set forth in the Master Blanket. All pricing shall be as described in the Master Blanket and is considered to be fixed and firm for the term of the Agreement, unless specifically noted to the contrary herein. All prices include prepaid freight. Freight, taxes, surcharges, or other additional charges will not be honored unless reflected in Master Blanket.

MULTI YEAR AWARD

THIS IS A MULTI-YEAR BID/CONTRACT. PER RHODE ISLAND STATE LAW 37-2-33, CONTRACT OBLIGATIONS BEYOND THE CURRENT FISCAL YEAR ARE SUBJECT TO AVAILABILITY OF FUNDS. CONTINUATION OF THE CONTRACT BEYOND THE INITIAL FISCAL YEAR WILL BE AT THE DISCRETION OF THE STATE. TERMINATION MAY BE EFFECTED BY THE STATE BASED UPON DETERMINING FACTORS SUCH AS UNSATISFACTORY PERFORMANCE OR THE DETERMINATION BY THE STATE TO DISCONTINUE THE GOODS/SERVICES, OR TO REVISE THE SCOPE AND NEED FOR THE TYPE OF GOODS/SERVICES; ALSO MANAGEMENT OWNER DETERMINATIONS THAT MAY PRECLUDE THE NEED FOR GOODS/SERVICES

CAMPAIGN FINANCE COMPLIANCE

EVERY PERSON OR BUSINESS ENTITY PROVIDING GOODS OR SERVICES AT A COST OF \$5000 CUMULATED VALUE IS REQUIRED TO FILE AN AFFIDAVIT REGARDING POLITICAL CAMPAIGN CONTRIBUTIONS WITH THE RI STATE BOARD OF ELECTIONS EVEN IF NO REPORTABLE CAMPAIGN CONTRIBUTIONS HAVE BEEN MADE (RI GENERAL LAW 17-27) FORMS OBTAINED AT BOARD OF ELECTIONS, CAMPAIGN FINANCE DIVISION, 50 BRANCH AVENUE PROVIDENCE 02904 (401-222-2056)

TERMS AND CONDITIONS OF PRICING AGREEMENT

SCOPE AND LIMITATIONS - This Agreement covers requirements as described herein, ordered by State agencies during the Agreement Period. No additional or alternative requirements are covered, unless added to the Agreement by formal amendment by the State Purchasing Agent or his designee.

Under State Purchasing Law, 37-2-54, no purchase or contract shall be binding on the state or any agency thereof unless approved by the department [of administration] or made under general regulations which the chief purchasing officer may prescribe. Under State Purchasing Regulation 8.2.1.1.2, any alleged oral agreement or arrangements made by a bidder or contractor with any agency or an employee of the Office of Purchases may be disregarded and shall not be binding on the state.

PRODUCT ACCEPTANCE - All merchandise offered or otherwise provided shall be new, of prime manufacture, and of first quality unless otherwise specified by the State. The State reserves the right to reject all nonconforming goods, and to cause their return for credit or replacement, at the State's option

- a) Failure by the state to discover latent defect(s) or concealed damage or non-conformance shall not foreclose the State's right to subsequently reject the goods in question
- b) Formal or informal acceptance by the State of non-conforming goods shall not constitute a precedent for successive receipts or procurements

Where the vendor fails to cure the defect promptly or replace the goods, the State reserves the right to cancel the Release, contract with a different vendor, and to invoice the original vendor for any differential in price over the original contract price.

ORDER AUTHORIZATION AND RELEASE AGAINST PRICING AGREEMENT

In no event shall the Vendor deliver goods or provide service until such time as a duly authorized release document is certified by the ordering Agency.

State Agencies shall request release as follows: All releases shall reference the Price Agreement number, the Contract Issue number, the item(s) covered, and the unit pricing in the same format as described herein.

A Department Purchase Order (DPO) listing the items ordered shall be created by the agency. The agency may mail or fax a copy of the order to the Vendor. In some cases the agency may request delivery by telephone, but must provide the Vendor with a DPO Order Number reference for billing purposes. Vendors are encouraged to require written orders to assure payments are processed accurately and promptly.

DELIVERY If this is an MPA, Vendor will obtain "ship to" information from each participating agency. This information will be contained in the DPO. APA delivery information will be contained in the Notice of Award.

PRICING - All pricing shall be as described herein, and is considered to be fixed and firm for the term of the Agreement, unless specifically noted to the contrary herein. All prices include prepaid freight. Freight, taxes, surcharges, or other additional charges will not be honored unless reflected herein.

INVOICING All invoices shall reference the DPO Order Number(s), Price Agreement number, the Contract Issue number, the item(s) covered, and the unit pricing in the same format as described herein. If this is an MPA, Vendor will obtain "bill to" information from each participating agency. This information will be contained in the DPO APA billing information will be contained in the Notice of Award.

PAYMENT - Invoices for items not received, not priced according to contract or for work not yet performed will not be honored. No payment will be processed to any vendor for whom there is no IRS W-9 on file with the State Controller.